Union of Myanmar Myanmar Investment Commission
Form (2) Sr. No. 2973 Dated 17.7.98

The Myanmar Investment Commission

PERMIT

Permit No. 314/98 Date 17th JULY, 1998

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter MR. LOW KIM YONG

(b) Citizenship SINGAPOREAN

(c) Address 4, DERBYSHIRE ROAD # 11-08 SINGAPORE 309460

(d) Name and address of principal organization GOLDEN GLORY COMPANY NO. 74, THOMSON ROAD, SINGAPORE 1130

(e) Place of incorporation SINGAPORE

(f) Type of business in which investment is to be made MANUFACTURING & MARKET[illegible] OF ELECTRICAL PRODUCTS UNDER SEMI KNOCK DOWN SYSTEM(TV,VCR [illegible] CONDITIONERS,REFRIGERATORS,WASHING MACHINE & OTHER HOUSEHO[illegible] ELECTRICAL PRO[illegible]

(g) Place (s) at which investment is permitted MINGALADON INDUSTRIAL PARK, YANGON

(h) Amount of foreign capital US$ 4 MILLION

(i) Period for bringing in foreign capital WITHIN 24 MONTHS FROM THE DATE OF ISSUANCE OF PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KY[illegible] US $ 4 MILLION

(k) Permitted duration of investment 50 YEARS

(l) Name of the economic organization to be formed in Myanmar GOLDEN GLORY INDUSTRIES LTD.

Chairman
The Myanmar Investment [illegible]

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
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စာအမှတ် ၂၈၇၃
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မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၃၁၄/၉၀ ၁၉၉၀ခုနှစ်၊ ဇူလိုင် လ ၁၇ ရက်။

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. LOW KIM YONG

(ခ) မည်သည့်နိုင်ငံသား SINGAPOREAN

(ဂ) နေရပ်လိပ်စာ 4, DERBYSHIRE ROAD # 11-08 SINGAPORE 309460

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ GOLDEN GLORY COMPANY NO.74, THOMSON ROAD, SINGAPORE 1130

(င) ဖွဲ့စည်းရာအရပ် SINGAPORE

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား အိမ်သုံးပစ္စည်းများ(TV,VCR,REFRIGERATORS,AIR CONDITIONERS,WASHING MACHINE & OTHER HOUSEHOLD ELECTRICAL PRODUCTS)တပ်ဆင်ထုတ်လုပ်ရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) မင်္ဂလာဒုံစက်မှုဇုန်၊ ရန်ကုန်

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၄သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ခွင့်ပြုမိန့်ရရှိပြီး (၂၄) လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၄သန်း နှင့်ညီမျှသောမြန်မာကျပ်ငွေ

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၃၀ နှစ်

(ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် GOLDEN GLORY INDUSTRIES LTD.

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Ya Ka-1/454/98(2973) Tel : 272219, 272855
Dated 17th July 1998. Fax : 095-01-282101

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Electrical Products under Semi Knock Down System (TV, VCP/VCR, Air Conditioners, Refrigerators, Washing Machine and Other Household Electrical Products)" under the name of "Golden Glory Industries Ltd.".**

Reference: Ministry of Construction Letter No. 13/Khwe-3/98(C-1624) dated 29-5-98.

1. The Myanmar Investment Commission, at its meeting 10/98 held on 12-6-98 had reviewed the proposal for investment in "Manufacturing and Marketing of Electrical Products under Semi Knock Down System (TV, VCP/VCR, Air Conditioners, Refrigerators, Washing Machine and Other Household Electrical Products)" under the name of "Golden Glory Industries Ltd." submitted by Golden Glory Co., Ltd. of Singapore as a wholly foreign owned investment.. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting 22/98 held on 25-6-98 resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 50(Fifty) years. At the end of the Lease Period, Golden Glory Industries Ltd. shall transfer the Land to Mingaladon Industrial Park Co., Ltd. within 3(Three) months in good condition, ground damages having been refilled or repaired.

4. Golden Glory Co., Ltd. shall pay the Land Use Premium to the amount of U[illegible] (United States Dollars Eight Hundred and Fifty Two Thousand and One Hundred and Fift[illegible] Onl[illegible] in favour of Mingaladon Industrial Park Co., Ltd. in three instalment as follows:-

(a) 10(Ten) percent of the Land Use Premium amounting to US $ 85211.50 (Unite[illegible] [illegible]ates Dollars Eighty Five Thousand Two Hundred and Eleven and Fifty Cents Onl[illegible] [illegible] paid to the Mingaladon Industrial Park Co., Ltd. upon signing of th[illegible] [illegible]se Agreement.

(b) Within the period of one month from the date of issuance of the Permit 50[illegible] [illegible]ce of the Land Use Premium amounting to US $ 426,057.50 (United States Dollars Four Hundred and Twenty Six Thousand and Fifty Seven and Fifty Cents Only) shall be paid to the Mingaladon Industrial Park Co., Ltd. failing which Mingaladon Indistrial Park Co., Ltd. shall have the right to terminate at its own discretion and the first instalment shall be forfeited.

(c) Upon the delivery of the Land, 40(Forty) percent of the Land Use Premium amounting to US $ 340,846 (United States Dollars Three Hundred and Forty Thousand and Eight Hundred and Forty Six Only) shall be paid to the Mingaladon Industrial Park Co., Ltd. by Golden Glory Industries Ltd.failing which Mingaladon Industrial Park Co., Ltd. shall have the right to terminate the Sub-Lease Agreement at its own discretion and the first instalment and the second instalment shall be forfeited.

5. Golden Glory Co., Ltd. shall pay the annual land rent on yearly basis at the rate of US $ 0.30 (United States Dollars Thirty Cents Only) per year per square meter to the amount of US $ 4,647.90 (United States Dollars Four Thousand Six Hundred and Forty Seven and Ninety Cents Only) and the Management Fees and Utility Charges to be paid in accordance with the estate conditions of the Mingaladon Industrial Park to the Department of Human Settlement and Housing Development. The land rent shall be reviewed every 5(Five) years and the increase of the rent shall not be more than 15(Fifteen) percent of the previous rent.

6. Golden Glory Co., Ltd. shall provide a security deposit to the amount of US $ 4,647.90 (United States Dollars Four Thousand Six Hundred and Forty Seven and Ninety Cents Only) to the Mingaladon Industrial Park Co., Ltd. on the date of signing of the Agreement.

7. In issuing this "Permit" the Commission has granted the following exemptions and reliefs:

(a) As per Section-21(a), exemption from income-tax up to three consecutive years from the year of commencement of commercial operation.

(b) As per Section-21(b), regarding exemption from income-tax on profits of the business if they are maintained in a reserve fund and re-invested therein within one year after the reserve is made, Golden Glory Industries Ltd. shall apply for such exemption only after 3-year tax holiday period.

(c) As per Section-21(c), Golden Glory Industries Ltd. shall be granted to accelerate depreciation in respect of machinery, equipment, building or other capital assets used in the business to the extent of the original value for the purpose of income-tax assessment. However, Golden Glory Industries Ltd. shall have to apply to the Commission such rates of depreciation.

(d) As per Section-21(d), relief from income tax up to 50 percent on profit accrued from export, such relief has to be applied, upon actual performance, following 3-year tax holiday period.

(e) As per Section-21(e), Golden Glory Industries Ltd. shall have the right to pay income payable to the State on behalf of foreigners who have come from abroad a. employed in the enterprise and the right to deduct such payment from the assessable income.

(f) As per Section-21(f), the Commission has also approved the right to pay income-tax the income of the above-mentioned foreigners at the rates applicable to the cit residing within the country.

(g) As per Section-21(g), regarding the right to deduct from the assessable inc expenses incurred in respect of research and development relating to the enterpr which are actually required and are carried out within the State, Golden Glory Industries Ltd. shall apply, upon actual performance of such research and development programme, only after 3-year tax holiday period.

(h) As per Section-21(h), regarding right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of e ption from income-tax, Golden Glory Industries Ltd. shall file the case, if any, to inistry of

Finance and Revenue in accordance with Section-4 of the Income Tax Amendment Law, 1991.

(i) As per Section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction.

(j) As per Section-21(j), exemption from customs duty and all other internal taxes on such raw materials and additional import of machinery, equipment and spare parts which are actually required for operation of the business shall be granted within three years of commercial operation following the period of construction.

8. Golden Glory Co., Ltd., shall have to sign Sub-Lease Agreement with Mingaladon Industrial Park Co., Ltd. After signing such Agreement, (5) copies each of those shall have to be forwarded to the Commission.

9. Golden Glory Industries Ltd., in consultation with the Department of Company Administration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

10. Golden Glory Industries Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

11. The official date of operation shall be reported to the Commission.

12. Golden Glory Industries Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

13. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. Golden Glory Industries Ltd. shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

14. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment [illegible], it is compulsory to report as early as possible in the following manner.

(a) The amount of foreign currency brought into Myanmar, attached with the [illegible]cessary documents issued by the respective bank where the account is opened.

(b) The detailed lists of the type and value of foreign capital defined under Section-[illegible](h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital [illegible] Sub-Committee.

15. Whenever Golden Glory Industries Ltd. brings in foreign capital defined und[illegible] [illegible]on 2[illegible] of the said Law, other than foreign currency in the manner stated in paragraph 1[illegible] mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspecti[illegible] Firm with regard to quantity, quality and price of imported materials shall have to be attached.

16. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Comm[illegible]n as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)]

17. Golden Glory Industries Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over-run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

18. Golden Glory Industries Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94 (0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

19. Golden Glory Industries Ltd. shall follow the procedures prescribed by the Commission, vide letter No. Ya Ka-7/408/94 (0424) dated 29-6-94 [Annexure(3)] to expedite the clearance of imports of capital and inter-industry use goods brought in as capital investment and raw materials required during the initial 3-year operation period.

20. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc. shall only be made out of the official foreign exchange earnings of Golden Glory Industries Ltd..

21. Golden Glory Industries Ltd., in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

By Order,

Brig-Gen Maung Maung
Secretary

Mr. Low Kim Yong
Golden Glory Co., Ltd.

c/o Director General
Department of Human Settlement and Housing Development

cc:
1. Office of the Chairman of State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Office of the Strategic Studies, Ministry of Defence
5. Ministry of National Planning and Economic Development
6. Ministry of Finance and Revenue
7. Ministry of Commerce
8. Ministry of Construction
9. Ministry of Foreign Affairs
10. Ministry of Home Affairs
11. Ministry of Immigration and Population
12. Ministry of Labour
13. Ministry of Electric Power

14. Chairman, Committee for Assisting the Myanmar Investment Commission (Governor, Central Bank of Myanmar)
15. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Equipment Statistics and Inspection Department)
16. Director General, Directorate of Investment and Company Administration
17. Director General, Customs Department
18. Director General, Internal Revenue Department
19. Managing Director, Myanma Foreign Trade Bank
20. Managing Director, Myanma Investment and Commercial Bank
21. Managing Director, Myanma Insurance
22. Managing Director, Myanma Electric Power Enterprise
23. Director General, Directorate of Trade
24. Director General, Immigration and National Registration Department
25. Director General, Directorate of Labour
26. Chairman, Union of Myanmar Chamber of Commerce and Industry